Report of the Transatlantic Economic Partnership Steering Group To the Meeting of Trade and Economic Ministers At the EU-U.S. summit, Lisbon, 31 May 2000.

The Transatlantic Economic Partnership (TEP) Steering Group met on 15 March and 8 May 2000. The next meeting is scheduled for the end of June.

1. Achievements for the 1st semester 2000

- 1.1 The Steering Group saw progress being made on negotiation of a mutual recognition agreement (MRA) on marine safety equipment and in the area of calibration. Texts have been exchanged on guidelines for regulatory cooperation, allowing both sides to identify and narrow remaining differences. Both sides agreed to continue consideration of further regulatory cooperation in the area of road safety equipment. Further regulatory cooperation was also discussed in the areas of cosmetics, lifts (elevators) and telecommunications equipment. A joint statement on lifts (elevators) has been agreed and is attached as Annex 1.
- 1.2 The first session on mutual recognition in the areas of services was recognised on both sides as a positive step. Elements of a work plan have been identified for professional services (Annex 2).
- 1.3 Discussions have continued in the other areas identified in the TEP Action Plan: intellectual property rights, environment, labour, procurement, food safety, biotechnology and competition.
- 1.4 The Steering Group discussed a number of items under the Early Warning mechanism established by the June 1999 EU-U.S. summit.
- 1.5 In the course of its discussions, the Steering Group has found the use of videoconferences to be an efficient way to conduct business and will endeavor to make maximum use of this communication tool in the future.

2. Priorities for the 2nd semester 2000

- 2.1 The Steering Group will undertake the work necessary to focus the TEP on activity that can produce substantial results in a cost-effective manner. Similarly, both sides will work together to strengthen and increase the efficiency of the Early Warning mechanism, in particular in respect of issues previously raised.
- 2.2 On specific issues identified under the TEP Action Plan, the Steering Group agrees that concluding the MRA on marine safety equipment and work in the area of calibration as well as the guidelines on regulatory cooperation by the December

EU-US summit should be our first priority in the area of technical barriers to trade. To meet this objective, we will need to clarify the scope of the envisaged agreements as well as the treatment of transparency in the guidelines. Progress should continue in the discussions concerning mutual recognition on services and as the next step, we are working on completing a work plan on insurance. The Steering Group acknowledges that there is still substantial work ahead on issues of both substance and of implementation of any possible agreements in the sectoral areas currently under discussion (architects, engineers, insurance). In addition, both sides should seek further progress in the other areas mentioned under the Action Plan, including on the pilot project and other issues in the Biotech working group.

2.3 The Steering Group will also explore new areas for mutual recognition and regulatory cooperation and will call on the various transatlantic dialogues to make concrete proposals in this respect. The contribution of the dialogues to the early warning mechanism has also been extremely useful and should continue to be encouraged.

Annex 1 Statement on Regulatory Cooperation in the Area of Lifts (Elevators)

In view of promoting a high level of safety for lifts (elevators) and related safety components and facilitating transatlantic trade and market access for such products, the EU and the U.S. agreed to explore regulatory cooperation and dialogue and in particular to:

- Continue the TEP cooperation and discussions on lifts (elevators),
- Continue to exchange information in order to learn about each others regulatory systems,
- C Support the ISO/TC 178 Global Harmonization project,
- Work together with a view to implement the results of the Global Harmonization project, in an as harmonized way as possible, in their respective systems,
- C Examine the possibility of further regulatory cooperation and alignment, and
- C Expand the dialogue, as needed, to ensure appropriate public and private sector participation.

Annex 2 Agreed Report of the TEP Meeting On Architecture and Engineering

On April 26-27, 2000, the United States and the European Union held the first meeting of architects and engineers under the Transatlantic Economic Partnership (TEP) discussions. In addition to U.S. and EU government representatives, delegations included representatives of regulatory bodies from Member States and national organizations representing both professions.

Both sides expressed commitment to achieve mutual recognition agreements as a means of

improving international mobility of the professions. The meeting featured presentations on the regulatory systems for architects and engineers in the U.S. and the EU, and exchange of information through questions and answers and copies of various documents and publications.

The delegations began the process of examining elements for inclusion in a work plan with concrete steps to reach mutual recognition and the timing that may be necessary to reach mutual recognition. Six elements were identified to form part of the work plan: (1) respect of each others' regulatory systems; (2) determining equivalence of education; (3) determining equivalence of qualifications other than education; (4) notification to the World Trade Organization of the intent to negotiate mutual recognition; (5) scope of practice (particularly for engineers); and (6) implementation of agreements.

Separate informal discussions were held by architects and engineers as sub-groups. Each sub-group clarified pending questions, discussed the elements of an agreement and expressed preliminary views. The EU and U.S. professions will communicate among themselves and across professional lines. The architectural associations agreed to correspond on three specific issues during July 2000. The engineering associations agreed to continue exchanging information on the respective regulatory systems in the coming months. The discussions by the professions will aim to provide input into the TEP negotiations. The official contact point in the EU for both professions will be the European Commission; and in the United States, the Office of the U.S. Trade Representative.

The U.S. and EU agreed to continue working toward means of getting the two systems to work together. For follow-up work, the delegations established single points of contact for each profession to continue the exchange of information, and agreed to have frequent contact through telephone conference calls with dates to be established at least three weeks in advance of each call. A decision is to be made on the date of the next physical (face-to-face) meeting, probably to be held in Brussels.